



Committee on  
**HOMELAND SECURITY**  
Chairman Michael McCaul

**Opening Statement**

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**Statement of Subcommittee Chairman Jeff Duncan (R-SC)  
Subcommittee on Oversight and Management Efficiency  
Committee on Homeland Security**

**“H.R. 4228, DHS Acquisition Accountability and Efficiency Act”**

**Remarks as Prepared**

We are here today to consider legislation to improve the Department of Homeland Security’s (DHS) acquisition management. In the aftermath of the September 11<sup>th</sup> attacks, DHS was created to ensure such an attack would never occur again. Yet for much of its existence, proper management has taken a back seat. DHS is now the third largest federal agency with a budget authority of almost \$60 billion. A significant amount of the budget is used to buy systems and programs used to secure our borders, protect our shores, and scan people and cargo coming into the U.S., among other missions. Unfortunately, many of these major acquisition programs cost more, are late, and do less than expected. For nine years, the Government Accountability Office (GAO) has been telling DHS in its High Risk List that its acquisition programs are highly susceptible to fraud, waste, abuse, and mismanagement. In addition, the DHS Inspector General has identified acquisition management as a major management challenge for DHS and its audits have found serious mismanagement in TSA body scanners and canine teams, failures to improve radio systems, and waste in CBP and Coast Guard helicopters.

Although DHS has taken steps to implement an acquisition policy with elements of commercial best practices and put mechanisms in place to review programs, it has routinely failed to hold programs accountable. This must change. DHS cannot afford its major acquisition programs. In a time of reduced budgets, DHS must make every dollar count. I was encouraged by Secretary Johnson’s comments on the need for acquisition reform at the Committee’s recent budget hearing. I urge him to review our bill and implement these essential changes.

Today’s markup of this bipartisan legislation, H.R. 4228, the DHS Acquisition Accountability and Efficiency Act, follows consistent Subcommittee oversight of DHS acquisition issues. In the 112<sup>th</sup> Congress, this Subcommittee published an August 2012 report providing recommendations for DHS to correct weaknesses in its acquisition and contracting practices. This report went unheeded, and the weaknesses remain. In the 113<sup>th</sup> Congress, we’ve sent three letters to DHS and six letters to GAO requiring greater scrutiny on various acquisition programs, and in September 2013, we held a hearing on

ways DHS could use best practices from the Defense Department and private sector to save taxpayer dollars in acquisition management. My staff has also met with over 30 stakeholder groups to investigate ways to help DHS improve its acquisition management.

In view of these efforts, I am pleased at the bipartisan cooperation that Ranking Member Barber and I have had in drafting H.R. 4228, and I am grateful for the strong support this bill has received. I would also like to note letters of support from the Project Management Institute, Security Industry Association, and Professional Services Council. Business Executives for National Security has also stated its support publically. I ask unanimous consent that these letters be inserted into the record. Without objection, so ordered.

This bill addresses DHS's acquisition problems in several ways:

First, it requires leadership accountability from the Chief Acquisition Officer and Components in following federal law, the Federal Acquisition Regulation, and DHS Acquisition Management directives.

Second, it requires discipline: every major acquisition program must have an approved Acquisition Program Baseline (APB), which is a vital document that DHS programs need to measure performance and manage cost growth and schedule slips, and the Acquisition Review Board must validate acquisition documents of programs;

Third, it provides clarity for American businesses by authorizing the Chief Procurement Officer to serve as the main liaison to industry and oversee a certification and training program for DHS's acquisition workforce; by requiring a Multiyear Acquisition Strategy to guide the direction of DHS acquisitions and help industry better understand, plan, and align resources to meet future acquisition needs of DHS; and by compelling DHS to address issues regarding bid protests.

Fourth, this bill increases transparency by requiring DHS to report to Congress on programs that fail to meet cost, schedule, or performance parameters specified in the APB and by instructing DHS to eliminate unnecessary duplication and inefficiency.

I believe that we have a precedent for such efforts under President Reagan's leadership. In the 1980s, he worked with Congress to address these types of issues in troubled defense programs, and I believe that DHS needs similar leadership from today's President and Congress. Today's markup is a first step in forcing DHS to hold its acquisition programs accountable. This will not solve every acquisition problem that DHS has. In contrast to some concerns that this bill simply creates more processes for DHS, I believe that that the opposite is true. This bill requires DHS to streamline its acquisition process and hold its programs accountable. This is essential if our government is ever going to climb out of our \$17 trillion worth of debt. It starts one good decision at a time, and DHS can make a difference by improving its acquisition management and by thinking more strategically about its acquisition choices. The American people deserve nothing less.

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